



MAHP Talking Points **Public Health Employee Benefits Act Reform**

MAHP strongly supports amending the Public Health Employee Benefits Act (PEHBA) to promote strong, value-driven, transparent competition in healthcare for public employees. Secure and equal access to transparent and synchronized data will drive competition in this market. MAHPs' Member Plans are dedicated to delivering high-quality healthcare options to Michigan's Public Employees.

In order to provide competitive premium quotes, which deliver high value to enrollees and taxpayers, insurers need access to data which meets the following criteria:

- A level playing field requires transparent and detailed data. This data, including synchronized claims and enrollment by month, is essential to fostering competitive bids for high-quality healthcare. In order to properly gauge risk Plans must understand historical demographic and claims data on a very precise level.
- A definitive understanding of those rare, high-dollar claims including and the diagnoses which led to the encounter with a high level of protection for the enrollee's privacy. High-dollar claims and the underlying diagnoses have a drastic impact not only on premium, but on reinsurance mechanisms. Reinsurers have extreme difficulty in pricing without detailed data.
- Data production and accessibility has streamlined since 2007 when PEHBA was passed. The technology, understanding, and importance of data in healthcare has evolved considerably in the last decade. Many of the barriers that existed over a decade ago have been eliminated or shrunk considerably. Yet this data isn't made as available during bid processes.
- These changes to PEHBA would simply align data transparency with the private sector clients. Driving competition in both markets is beneficial for Michiganders in both sectors.
- Of the schools we reviewed, in 90% of schools' in the House and Senate Committees' Members' Districts, Collective Bargaining Agreements (CBAs) have expired or will expire by 2020. The expiration of CBAs gives the best opportunity to re-bid health care benefits.

The improvements to the PEHBA will offer increased value to the stakeholders in public healthcare with minimal additional efforts. MAHP encourages this Legislature to level the playing field to allow innovative, competitive, and value-driven healthcare to the public sector.